

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

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| |) | |
| In the Matter of |) | |
| |) | |
| Ensuring Customer Premises Equipment Backup |) | PS Docket No. 14-174 |
| Power for Continuity of Communications |) | |
| |) | |
| Technology Transitions |) | GN Docket No. 13-5 |
| |) | |
| Policies and Rules Governing Retirement Of |) | RM-11358 |
| Copper Loops by Incumbent Local Exchange |) | |
| Carriers |) | |
| |) | |
| Special Access for Price Cap Local Exchange |) | WC Docket No. 05-25 |
| Carriers |) | |
| |) | |
| AT&T Corporation Petition for Rulemaking to |) | RM-10593 |
| Reform Regulation of Incumbent Local Exchange |) | |
| Carrier Rates for Interstate Special Access |) | |
| Services |) | |
| |) | |

**COMMENTS OF
WORLDNET TELECOMMUNICATIONS, INC.**

WorldNet Telecommunications, Inc. (“WorldNet”) respectfully submits the following comments in response to the Commission’s notice of proposed rulemaking in these proceedings released on November 25, 2014 (“NPRM”).

SUMMARY

The NPRM made it a point to stress the Commission’s desire and continuing obligation under the federal Telecommunications Act of 1996 (“Act”) to advance and protect competition in local telephone markets. While restated several times in the NPRM, it was succinctly and directly summarized as follows: “Technology transitions must not harm or undermine

competition.”¹ WorldNet was encouraged by this, as well as a number of proposals that reflect the Commission’s commitment to competition. This is a critical promise that the Commission should keep, particularly as it relates to the retirement of copper. If not properly conditioned, an action under the guise of a “technology transition” can in fact have the effect of crippling competition, and with it undermining the core benefits Congress expected from competition including better service, greater innovation, and lower prices, all of which benefits WorldNet has shown to have brought to Puerto Rico. .

WorldNet is a CLEC that has invested millions to utilize unbundled ILEC copper loops to bring innovative, thoughtfully-tailored broadband (and now cloud computing) solutions to small- and medium-sized Puerto Rico businesses. This is exactly what Congress envisioned in the Act, and exactly what the Commission contemplated in its implementing rules. WorldNet has relied on unbundled copper loops to create real and continuing competitive broadband (and cloud computing) service options that are exactly what the small- and medium-sized businesses in Puerto Rico that are served by WorldNet want. Yet, the NPRM would appear to permit an ILEC, for whatever reason, to pull the plug on all of this by simply providing as little as ninety (90) days’ notice. Whatever may be said by others as to the utility of these copper wires, thousands of customers in Puerto Rico depend every day on their use by WorldNet as a competitor to provide

¹ See NPRM at ¶ 100; see also id. at ¶ 1 (“the success of these technology transitions depends upon the technologically-neutral preservation of principles embodied in the Communications Act that have long defined the relationship between those who build and operate networks and those who use them. These principles include competition, consumer protection, universal service, and public safety and national security. We are determined to ensure that these fundamental values are not lost merely because technology changes”); ¶ 2 (“the Commission is determined to . . . Protect competition where it exists today, so that the mere change of a network facility or discontinuance of a legacy service does not deprive small- and medium-sized business, schools, libraries, and other enterprises of the ability to choose the kinds of innovative services that best suit their needs”); ¶ 6 (“we are guided by the mantra that technology transitions should not be used as an excuse to limit competition that exists . . . ensuring that wholesale access does not decline merely because technologies are in transition”); and ¶ 92 (“we recognize the critical importance of ensuring that technology transitions do no harm to the benefits of competitive access”).

basic and advanced telecommunications as well as innovative cloud computing services. To this end, WorldNet is compelled to ask the Commission to reconsider and/or provide more clarity and certainty with regard to the Commission's proposed road map for the fate of the copper facilities that now fuel competition in Puerto Rico.

Although WorldNet's comments address a number of the NPRM proposals and questions, the heart of WorldNet's comments are focused on its belief that, at a minimum, the Commission's revision of its copper retirement rules must address two things: (1) the process for retiring copper and (2) the options available to competitors if and when copper is retired. The Commission has done this, to an extent, but, in WorldNet's view, has not done so to the extent necessary to achieve what the Commission itself said repeatedly in the NPRM it aims to do – i.e. to “protect competition” and to ensure that the IP transition “not be used as an excuse to limit competition.”²

As detailed further below, with regard to the process for retiring copper, WorldNet primarily urges the Commission to reconsider its decision to leave the copper retirement process notice-based (as opposed to requiring affirmative advance approval, which is what WorldNet strongly requests here). There will inevitably be situations in which the anti-competitive effects of a proposed copper retirement, by design or by mere circumstance, demonstrably outweigh purported countervailing considerations. A mere notice-based copper retirement process provides an inadequate check against an ILEC's decision to discard network facilities that are the cornerstone of millions of dollars of competitive investment and that are still being used innovatively and effectively to provide demand-tailored broadband solutions to thousands in Puerto Rico. Moreover, the Commission's approach also seems to create illogically polar

² See NPRM at ¶¶ 2 & 6.

opposite standards for copper retirements and Section 214 service discontinuations, even though both can and will involve changes to end user service options. In short, after decades of reliance on copper facilities and where a competitor is shown to be using them for competitive services, the burden ought to be on the incumbent to show retirement appropriately safeguards the interests of competition and is otherwise in the public interest, and not the other way around, with a figurative gun to the head of a competitor to race to stop a retirement to avoid substantial harm. The process for such showing can be streamlined and focused to avoid undue delay, but, there should be a process.

As also detailed below, with regard to the options available to competitors if and when copper is retired, WorldNet primarily urges the Commission to be more proactive, detailed, and express in establishing such options. In a rulemaking with such great stakes, the Commission's resolution must, at a minimum, solidify the availability of nondiscriminatory and/or unbundled access to DS0, DS1, and DS3 ILEC fiber loops under existing Commission rules, as well as an option for competitors to continue to provide DSL or equivalent services without extensive, ostensibly cost prohibitive, network reconfigurations. It also must include reconsideration of the Commission's tentative proposal to give an ILEC the discretion to deny selling and/or leasing "retired" copper to a requesting CLEC or to do so only on voluntarily negotiated terms. In sum, one of the foundational and still vital principles of the Act is that an ILEC with inherent counter-incentives and hugely superior bargaining power will not offer critical components of its network for use by competitors on remotely fair or reasonable terms without (1) the mandate of law to so and (2) the active oversight of the Commission and/or state commissions to ensure that the ILEC does so.

COMMENTS

As indicated above, WorldNet has determined to focus its initial comments on the NPRM to discrete issues relating to the Commission's proposed revisions to its copper retirement rules.

1. Definition of "Copper Retirement"

The Commission's first proposal in the NPRM regarding "copper retirement" is to define the term. WorldNet supports the Commission's proposal to do so in order to provide parties with guidance on when the requirements of the Commission's copper retirement rules are triggered.

With regard to the facilities that should be included within the concept of "copper retirement," WorldNet agrees with the Commission's proposal to establish that copper retirement involves the retirement of copper loops, copper subloops, and the feeder portion of copper loops. To protect against any confusion later, however, the Commission should be express in clarifying that that copper loops and copper subloops includes any and all of the facilities (e.g., inside wire owned or controlled by the ILEC) that are encompassed within the Commission's definitions of local loops, copper loops, copper subloops, and subloops for access to multiunit premises wiring set forth in 47 C.F.R. 51.319(a), (a)(1), (b)(1), and (b)(2).

2. Revision of Copper Retirement Processes to Promote Competition and Protect Consumers

a. The Process for Retiring Copper

i. Notice vs. Approval

With regard to the process for retiring copper, WorldNet urges the Commission to reconsider its determination to keep copper retirement a notice-based process, instead of establishing some kind of Commission and/or state commission review and advance affirmative approval of ILEC copper retirement proposals. There will inevitably be situations in which the anti-competitive effects of a proposed copper retirement demonstrably outweigh purported

countervailing considerations. And, while this is true generally, it is especially true in Puerto Rico. In previous filings, WorldNet has documented for the Commission its delays in interactions with the ILEC in Puerto Rico to implement even the most basic pro-competitive obligations afforded by the Act almost two decades after those obligations were enacted. Applied to this reality, WorldNet respectfully submits that the proposal in the NPRM to leave a notice-only process for an ILEC to retire copper falls short of the Commission's statutory mandate to protect competition. There needs to be some kind of check available to determine when the balance of harming competition tips the scales as outweighing the proposed benefits of network efficiency. The process by which an approval would be obtained could be streamlined, and crafted to accommodate local stakeholder input. But the point here is that the balance should be tipped toward shifting the burden for affirmative approval to the party requesting such competition-impacting changes.

A notice-based process is also at odds with the basic balance of policy determinations already made by Congress in the Act. In Section 252 of the Act, Congress required state commissions to review of all of the terms and conditions upon which ILECs made their network available to competitors to ensure that they were not anti-competitive. In doing so, Congress determined that the pro-competitive goals of the Act will not be achieved without a process to balance the impact on competition and ensure that competitive interests are protected in accordance with federal policy guidelines. And, Congress made this determination faced with the same basic concerns cited in the NPRM of the impact of a review and approval process on ILEC investment incentives. Technologies may now be changing, but the market realities and the authority and clarity of this standing Congressional decision has not changed. Similarly, a notice-based process for copper retirement is also seemingly inconsistent with the Section 214

review and approval process ILEC service discontinuations. In Section 214 proceedings, the Commission has established a review process involving detailed criteria to measure the impact of a proposed ILEC service change. A copper retirement could have no less significant service implications for end users than an ILEC retail service change. Yet, the NPRM proposes to leave copper retirement to the unfettered discretion of an ILEC, without any regard for the service impact on end users. The temptation may be to dismiss these mismatched standards as the consequence of the complexities of law, but as a practical matter, this is not an appropriate result.

ii. Expansion of Notice Requirements

Although WorldNet does not agree with the Commission's proposal to leave the copper retirement purely notice-based, WorldNet nevertheless agrees with the Commission that, in whatever process is ultimately adopted, ILECs should be affirmatively required to notify CLECs of a proposed copper retirement and include a detailed description of the potential impacts of the proposed retirement in such notice. It is the very least that should be expected. In most cases, an ILEC will have ample time to prepare such information, which ostensibly should readily be available to the ILEC as part of its retirement plans. In contrast, for a CLEC, a copper retirement requirement could require an unplanned, very costly, disruptive, and relatively emergent network, operational, and customer changes just to maintain a status quo of competitive service.

Indeed, WorldNet believes that every effort should be made by the Commission to ensure that a copper retirement is not undertaken without requiring an ILEC to share as much information with CLECs about the proposed transition as reasonably possible, including, without limitation:

- Identification of all of the facilities that the ILEC proposes to retire;
- Identification of the affected customer locations;

- Identification of the ILEC's planned disposition of the retired facilities;
- Identification of any and all corresponding replacement facilities;
- A proposal identifying all actions required to seamlessly transition a CLEC currently utilizing the retired facilities to alternate arrangements that includes, without limitation, identification of available alternate facilities, required network interconnection changes or additions to access and use alternate facilities, a proposed schedule for a transition, and a schedule of all proposed charges for the transition and use of the alternate facilities going-forward.

For the same reasons, WorldNet also invites the Commission to include a requirement for an ILEC to work with a CLEC in good faith by responding to reasonable requests for additional information about a proposed retirement and to work collaboratively with a CLEC in effectuating desired CLEC transitions to alternate facilities. Moreover, WorldNet submits that a requirement for, at a minimum, annual forecasts of copper retirements would assist CLECs greatly in planning for retirements and, as appropriate, making the adjustments in their networks and customer contracts to "absorb the blow" of a retirement of ILEC facilities that have become one of the building blocks of the CLECs' networks.

Finally, WorldNet finds it difficult to comment on the proper amount of advance notice that the Commission should require for copper retirements. As already stated, WorldNet does not believe that mere notice is appropriate at all. Moreover, even if faced with a notice-based process, it is somewhat arbitrary to establish a specific notice period given the conceivably wide variability in the potential scope of copper retirement proposals. At the end of the day, however, if a specific notice period must be set, WorldNet submits that balance of considerations would require a period generous enough to reasonably enable a competitor to adjust its network,

operations, and customer contracts to a large-scale retirement proposal. WorldNet submits that this period should be no less than nine (9) months. Copper facilities have been an integral part of telephone networks for over a hundred years. Against this backdrop, it seems that it would be a rare circumstance in which an ILEC suddenly needs to rip out these facilities in less than the amount of time in which most ILECs enable CLECs to establish a simple collocation or the time in which the Act contemplates the resolution of arbitration of a new interconnection agreement modified to create terms tailored to a new fiber-based, IP network.

The current technology transition need and should not be a fire drill. It must be a thoughtful and collaborative process that elevates the protection of competition over the stated ILEC protects about the scope of the burden created by having to maintain copper facilities for a little longer than they want to. The proper and correct way to do this, in WorldNet's view, would be through a process that requires the ILEC to undertake a regulatory approval process (even if streamlined) to resolve the matter in advance of finalizing and proceeding with any such retirement.

b. Options Available After Retiring Copper

With regard to the options available to competitors if and when copper facilities are made unavailable, WorldNet urges the Commission to be more proactive, detailed, and express in establishing such option than it was in the NPRM. In WorldNet's view, this implicates, at a minimum, both the option to obtain unbundled access to replacement ILEC fiber and the option to purchase and/or lease "retired" copper facilities.

i. Access to and Use of ILEC Fiber Loops and Subloops

WorldNet urges the Commission, first, to be more detailed and express in establishing CLEC rights to access and use ILEC fiber loop and subloop facilities on a nondiscriminatory and

unbundled basis. As others have noted, ILECs have inappropriately called into question standing Commission rules requiring nondiscriminatory and/or unbundled access to voice grade (i.e., DS0), DS1, and DS3 fiber loops and subloops. The stakes involved in taking away a critical component of competitor networks are simply too great not to expressly and unequivocally confirm these basic requirements as part of the Commission's ultimate resolution with regard to its copper retirement rules. Moreover, a technology transition should not be used as an excuse to eliminate, either actually or effectively (through increases in competitor costs), the ability of competitors to provide DSL or equivalent services when, for example, copper feeder is retired and replaced by ILECs with fiber.

Moreover, in confirming these basic requirements, the Commission should be clear that in providing access to new fiber facilities, ILECs may not create unreasonable, undue, and/or unnecessary transition barriers for CLECs. To the extent technically possible, ILECs should be required to enable seamless CLEC transitions to new fiber facilities in connection with the retirement of copper, providing ample technical information for a CLEC to establish the facilities and connections necessary to utilize the new fiber facility and to provide access to fiber in a manner that avoids unjust, unreasonable, and/or undue transition costs for a CLEC. In WorldNet's view, the Commission's goal to facilitate the current technology transition will served greatly, and perhaps most vitally, by providing as much detail and clarity on these issues, providing the CLEC community with an assurance that copper retirements will, in fact, be a transition, and not just another impairment of competition under the Act.

ii. Sale of Copper Facilities That Would Otherwise Be Retired

WorldNet is encouraged by the Commission's express recognition of the continuing value of copper facilities in an IP-based service world, especially to small- to medium-business

customers in Puerto Rico. And, WorldNet is further encouraged by the Commission's attempt to keep copper available through a mechanism for CLECs to purchase and/or otherwise obtain continuing rights to utilize these still vital network facilities. In the NPRM, however, the Commission tentatively concluded to take a voluntary approach to such arrangements, declining to compel ILECs to undertake such transfers to requesting CLECs. WorldNet respectfully urges the Commission to reconsider this tentative conclusion.

In WorldNet's experience, a voluntary approach to copper transfer is an inherently doomed approach, rendering the sale/transfer of copper option virtually meaningless. As previously shared with the Commission, WorldNet's experience in Puerto Rico is that, almost twenty years after the Act was passed, WorldNet has been forced to litigate compliance with even the most basic provisions of the Act and Commission rules. Against this backdrop, WorldNet can say, to put it mildly, that a transfer of ILEC copper to a requesting CLEC on reasonable, voluntarily negotiated terms falls well outside of the realm of a reasonable expectation. There absolutely needs to be more or, without exaggeration, the option for the sale/transfer of retired copper could effectively be no option at all.

Quite plainly, Congress understood that the relationship between ILECs and CLECs was not one in which the Commission could rely on ordinary market forces or promises of good faith for competition to survive. In Sections 251 and 252 of the Act, Congress specifically compels ILECs to offer their networks to competitors on just, reasonable, and nondiscriminatory terms, and compels ILECs to negotiate in the hopes of reaching a consensual resolution. In doing so, Congress recognized the inherent forces that would make reaching such an agreement problematic, understood that there needed to be mandatory requirements as a backstop to protect competition, implemented a regime that included arbitration of disputed terms, and enlisted and

required state commissions to review of all of those terms to ensure that they are not anti-competitive. In short, Congress determined that the pro-competitive goals of the Act will not be achieved by affording ILECs discretion to establish such terms through a voluntary approach. And, Congress made this determination faced with the same basic concerns cited in the NPRM of the impact of a review and approval process on ILEC investment incentives. Technologies may now be changing, but the market realities and the authority and clarity of this standing Congressional decision has not changed. As with a notice-based copper retirement process, a voluntary approach for effectuating copper transfers simply does not reflect the inherent market tensions that lead Congress to determine long ago that such a purely voluntary approach would not work.

To this end, WorldNet urges the Commission to require ILECs to make their retired and/or soon-to-be retired copper available to competitors by sale or otherwise, to do so on no less than just, reasonable, and nondiscriminatory terms, to negotiate such arrangements in good faith, and, as necessary, to have any disputed issues of impasse regarding such arrangements arbitrated and reviewed by the Commission and/or state commissions. In WorldNet's view, this is entirely consistent with the provisions and principles of the Act and, in some places, will be the only way that a fair and reasonable transfer of ILEC copper to CLECs (at least in Puerto Rico) will ever happen.

With regard to the specific terms of a transfer of ILEC copper to CLECs, WorldNet has included as an attachment with these comments a tentative proposal that includes two potential options: (1) a sale, in which a CLEC (or multiple CLECs jointly), take full ownership of subject ILEC copper facilities, including full operating and maintenance responsibility for such facilities, and (2) an indefeasible right of use ("IRU") or similar lease arrangement, in which CLECs lease

copper loops and/or subloop facilities while also assuming (either individually or jointly) operating and maintenance responsibility for the subject ILEC cabling. A summary of the basic terms of each of these proposals is included with these comments as **Attachment A**.

With regard to the proposed sale option, WorldNet would like to highlight and explain two key terms. The first of these terms is price. In WorldNet's view, any mechanism for the transfer of ILEC copper to CLECs that does not include some kind of pre-defined standard or target for the price of the facilities will not be effective. In every case, the price to purchase ILEC copper will be critical to a CLEC's investment decision, and the success of a timely and reasonable negotiation of this term (as well as CLEC network planning decision made well in advance of such negotiations) will be a clear, mutual understanding by all parties involved of approximately what the price will be. Congress knew this well in establishing a clear and discernable standards for the pricing of the network sharing contemplated in the Act, and it is no different here.

To this end, WorldNet proposes to establish a pre-defined target metric for the selling price of copper to CLECs and believes that the appropriate target price for the sale of ILEC copper to CLECs is the net salvage value of the copper facilities (which, WorldNet believes is fairly established to be at or near zero). For months in comments to this Commission, ILECs have been deriding their copper networks as an albatross with negative future value once replaced by fiber because of the purported continuing operating and maintenance costs.³ In light

³ See, e.g., In the Matter of Technology Transition Task Force Seeks Comments on Potential Trials, GN Docket No. 13-5, Comments of AT&T at 2 & 30 (filed July 8, 2013) ("Most importantly, the Commission must sweep away rules that prevent carriers from retiring their legacy networks and services . . . ILECs must be free to superintend their networks and to retire network elements that have been rendered anachronistic, that are under-utilized, that no longer perform optimally or reliably, or that are uneconomical to maintain and operate.").

of this, WorldNet believes that an appropriate valuation of these unwanted copper facilities in a sale to CLECs should be net salvage value and that there should be a rebuttable presumption that the net salvage value of such facilities is negative (i.e., the cost of removing the facilities exceeds the salvage or scrap value of the facilities). If in any particular situation an ILEC disagrees, their position would be protected as the parties would go to the state commission or Commission to resolve impasse, in a manner similar to how the leasing of copper process works now. In short, the goal would be fully consensual and negotiated arrangements among the parties without need for regulatory involvement, but, with a regulatory backstop available to ensure timely resolution of any disputes in accordance with key standards set forth here by the Commission.

The second sale term that WorldNet would like to highlight is a condition that would enable CLECs to purchase ILEC copper in appropriately scaled increments. Simply put, an ILEC proposal could have the effect of thwarting a sale by requiring a CLEC to purchase more copper facilities than the CLEC reasonably needs or wants or by retiring (and, thus, only making available for sale) fractional pieces of copper circuits that would effectively be unusable by the CLEC by themselves. To this end, one critical aspect of WorldNet's sale proposal would be to enable CLECs to reasonably choose the amount of copper facilities that they wish to purchase and to restrict ILEC copper retirements to complete, uninterrupted distribution and or feeder routes.

With regard to the IRU and/or lease arrangement option, WorldNet would also like to highlight price. WorldNet's proposal, again, reflects the necessity of setting a pre-determined metric. In this case, WorldNet proposes that the price be the lease of subject ILEC copper loops at a TELRIC rate, less the cost components of that rate attributable to operations and maintenance because those responsibilities would be shifted to the CLECs. In effect, ILECs

would be relieved of their primary responsibilities with regard to “retired” copper facilities, but would still be generating a positive revenue stream on copper loops that were being used by CLECs.

If the ILEC’s primary goal is, as argued, to eliminate the ILEC’s need to maintain duplicative networks, these two solutions should both work. Net salvage (revenue from the sale of scrap copper less the cost of removal) reflects the maximum value an ILEC would achieve by retiring copper cable. The only seeming explanation for an ILEC to retire copper instead of accepting the net salvage value for the copper is to avoid a competitor’s use of those facilities. Similarly, the IRU scenario allows the ILEC to continue receiving a revenue stream on copper facilities without any maintenance obligations. Again, the only reason that an ILEC would rather retire the copper is to avoid competitive alternatives.

CONCLUSION

“Technology transitions must not harm or undermine competition.”⁴ WorldNet and Puerto Rico consumers are banking on the Commission’s full commitment to this recognized objective. And, if it this Commission commitment is to be honored, WorldNet respectfully submits that the Commission needs to do a bit more in service of that objective than is currently proposed in the NPRM.

⁴ NPRM at ¶ 100.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "David Bogaty", with a stylized flourish at the end.

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ATTACHMENT A

ILEC Proposed to Retire Copper

Two Options when a CLEC is Interested (At ILEC's Discretion)

Option 1

ILEC transfer of assets to CLEC(s)

- ILEC wants to retire cable along entire distribution or feeder route
 - ILECs presumably have strong reasons for moving away from owning and operating copper cable (*i.e.*, cost of maintaining copper exceeds value)
 - Rebuttable presumption of negative net salvage value (cost of removal exceeds salvage, or scrap, value of copper)
- CLEC(s) take full ownership of cable, including operating and maintaining

Option 2

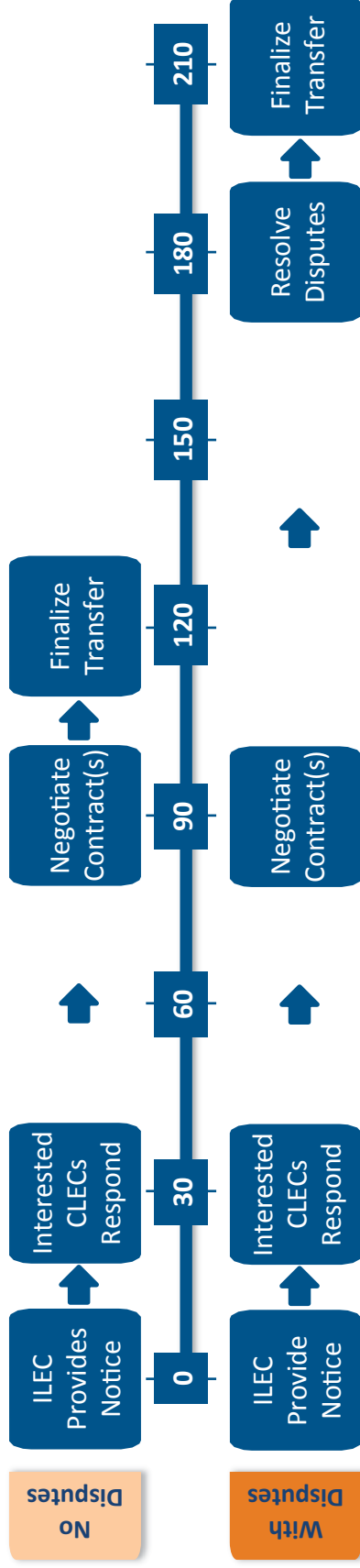
Indefeasible Right of Use (IRU)

- ILEC wants to avoid maintaining two networks
- IRU allows a positive revenue stream for ILEC without ongoing maintenance expenses
 - Copper UNE leased at TELRIC return on investment rate, excluding administrative and operations costs (such as maintenance, repair, etc.)
 - CLEC(s) take full responsibility for operating and maintaining cable

ILEC Proposed to Retire Copper

Scenario 1: Transfer of Assets

Process & Timing



Transfer of Assets

Terms and Conditions of Transfer

General Terms & Conditions

- Rebuttal presumption of zero cost (negative net salvage)
- ILECs retire cable along entire distribution or feeder route
- Existing interconnection remains
 - Interconnection facilities (terminations) at TELRIC
- Facilities are accepted "as-is" with no warranties
- All post-transfer maintenance and liabilities assumed by CLEC(s)
- Multiple CLECs may join together and share ownership
- Post-closing 90 day transition period
- Sets forth responsibilities of both parties during the transition period
- Includes ongoing operational issues (maintenance, air pressure, etc.)

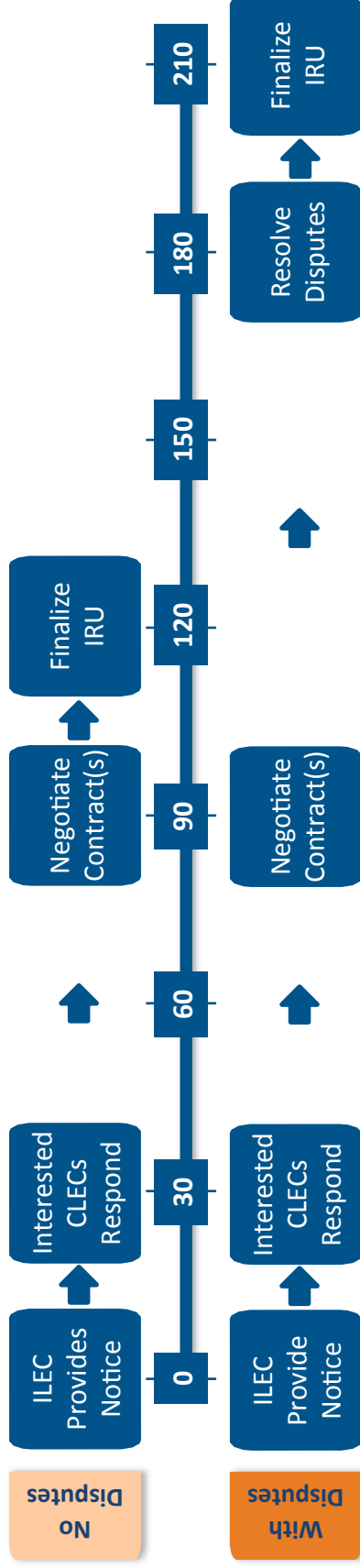
Access to Rights-of-Way

- Nondiscriminatory Access to:
 - Poles
 - Ducts
 - Conduits
 - Rights-of-Way
- Typically under existing agreements

ILEC Proposed to Retire Copper

Scenario 2: Indefeasible Right of Use (IRU)

Process & Timing



Indefeasible Right of Use

Terms and Conditions of Transfer

General Terms & Conditions

- CLECs pay ILECs the TELRIC return on copper loops investment
 - Excludes repair, maintenance, operations, administration, etc.
- Existing interconnection remains
- Facilities are accepted "as-is" with no warranties
- All maintenance and post-transfer liabilities assumed by CLEC(s)
- CLECs enter into joint maintenance agreement
- Post-closing 90 day transition period
- Sets forth responsibilities of both parties during the transition period
- Includes ongoing operational issues (maintenance, air pressure, etc.)

Access to Rights-of-Way

- Nondiscriminatory Access to:
 - Poles
 - Ducts
 - Conduits
 - Rights-of-Way
- Typically under existing agreements